

## OPERATING AGREEMENT

### OF

### LR CREDIT 13, LLC

This Operating Agreement (this "Agreement") of LR CREDIT 13, LLC is entered into by LR CREDIT, LLC, a Delaware limited liability company, as sole member (the "Member").

The Member hereby forms a limited liability company pursuant to and in accordance with the Limited Liability Company Law of the State of New York, as amended from time to time (the "LLCL"), and hereby agrees as follows:

1. **Name.** The name of the limited liability company formed hereby is LR CREDIT 13, LLC (the "Company") and the business address of the Company shall be located at 10 New King Street, White Plains, NY 10604 (Attn: Kerry Lutz, Esq.) or at such other address as designated by the Member.
2. **Term.** The Company shall continue to exist until it is dissolved or terminated as herein provided or as provided by law. The Company shall forthwith be terminated and dissolved and its business and affairs liquidated upon the occurrence of any one of the following events or conditions.
  - (a) The sale or other disposition of all or substantially all of the Company's assets;
  - (b) Upon the vote of the holders of a majority in interest of the Members; or
  - (c) the entry of a decree of judicial dissolution under Section 702 of the LLCL.
3. **Purpose.** The Company is formed as a "Subco", as such term is defined in the Limited Liability Company Agreement of LR Credit, LLC dated as of November 12, 2003 (the "LR Credit LLC Agreement") between L-Credit, LLC and Rushmore Recovery Management, LLC, for the sole purpose of investing in a portfolio of New York State domiciled defaulted

consumer indebtedness, as provided therein, and engaging in any and all activities necessary or incidental to the foregoing.

4. **Members.** The name and the business, residence, or mailing address of the Member is as follows:

<u>NAME</u>	<u>ADDRESS</u>
LR Credit, LLC	315 Park Avenue New York, NY 10010

- 5 (a). **Management.** The business and affairs of the Company shall be managed by the Member in accordance with the applicable terms, provisions and conditions for the management of the Member as set forth in the LR Credit LLC Agreement. The Member shall have the power to do any and all acts necessary or convenient to or for the furtherance of the purposes described therein and herein including all power, statutory or otherwise, possessed by members under the LLCL.

- 5 (b). **Authorized Officers.** The Member may elect officers of the Company with such titles as it deems appropriate. The Member hereby elects Joe Orlando, as President, and Zalman Jacobs, Luis Medeiros, Philip M. Cannella as Vice Presidents and Corinne A. Maki as Vice President and Secretary of the Company to perform all acts consistent with the purposes of the Company; provided that Mr. Jacobs and Mr. Medeiros shall not have any authority to obligate the Company to spend more than \$100,000 without the express written authority of the Member.

6. **Capital Contributions.** The Member has contributed to the Company \$1,000. This amount has been credited to the capital account of the Member as follows:

LR Credit, LLC	-	100%
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7. **Additional Contributions.** No Member is required to make any additional capital contributions to the Company. Nothing contained in this Agreement shall be construed to require any Member to restore any deficit in a capital account by making any contributions to the Company.
8. **Allocation of Profits and Losses.** The Company's profits and losses shall be allocated in proportion to the capital contributions of the Member as follows:  

LR Credit, LLC            -            100%
9. **Distributions.** Distributions shall be made to the Member at the times and in the aggregate amounts determined by the Member. Such distributions shall be allocated to the Member in the same proportion as the capital account balance.
10. **Assignments.** A Member may transfer the right to the share of the profits and losses of the Company and the right to receive distributions from the Company. In no event may the transferee of such interest be admitted to the Company as a substituted member.
11. **Withdrawal of Member.** The Company shall have no obligation to pay to any Member withdrawing from the Company the fair value of such Member's interest as of the date of withdrawal.
12. **Admission of Additional Members.** One (1) or more additional members of the Company may be admitted to the Company with the consent of the Member.
13. **Liability of Member.** The Member shall not have any liability for the obligations or liabilities of the Company except to the extent provided in the LLCL.
14. **Governing Law.** This Agreement shall be governed by, and construed under, the laws of the State of New York, all rights and remedies being governed by said laws.

IN WITNESS WHEREOF, the undersigned, intending to be legally bound hereby, have duly executed this Operating Agreement as of the \_\_\_ day of February, 2007.

**SOLE MEMBER:**

LR CREDIT, LLC, a Delaware limited liability company

By: L-CREDIT, LLC, a Delaware limited liability company, Member

By: PLRC, INC., a New York corporation, Member

By: 

Philip M. Cannella, Vice President